BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	AUG 3 1 35 mm SS
Huckabee Election Committee (U.S. Senate) Prissy Hickerson, as treasurer)	MUR 4317 and MUR 4323
Huckabee Election Committee Prissy Hickerson, as treasurer The Honorable Mike Huckabee)	SERSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On October 16, 1996, the Commission found reason to believe in MUR 4317 that the Huckabee Election Committee (U.S. Senate) and Prissy Hickerson, as treasurer, ("the Senate Committee") violated 2 U.S.C. § 441b by accepting a contribution from the Delta Beverage Group, Inc., and 2 U.S.C. § 434(b)(3)(A) by misreporting the sources of two contributions. In MUR 4323 the Commission found reason to believe that the Huckabee Election Committee and Prissy Hickerson, as treasurer, ("the State Committee") violated 2 U.S.C. § 441b by making inkind contributions to the Senate Committee using impermissible funds, that the Senate Committee violated 2 U.S.C. § 441b by accepting these in-kind contributions, and that the Honorable Mike Huckabee also violated 2 U.S.C. § 441b as a result of his involvement in certain of the activities at issue. Further, the Commission found reason to believe that the Senate Committee violated 2 U.S.C. § 434(b)(3)(A) by failing to identify fully all contributors itemized on its 1995 Year End Report.

II. DISCUSSION

In response to a request by counsel, the Commission on May 6, 1997, agreed to enter into pre-probable cause conciliation with all respondents in this matter and approved a combined conciliation agreement.

In light of the above, this Office believes that further efforts to reach pre-probable cause conciliation with respondents would be to no avail. We are proceeding to the next step in the enforcement process.

Date /

Lawrence M. Noble

General Counsel

Attachment Letter from counsel

Staff Assigned: Anne A. Weissenborn